

May 17, 2001

Chevron U.S.A. Production Co. 935 Gravier Street New Orleans, LA 70112

Honorable Philip N. Asprodites Commissioner of Conservation State of Louisiana P.O. Box 94275, Capitol Station Baton Rouge, Louisiana 70804-9275 Arthur P. Mitchell Senior Counsel Law Department (504) 592-6777 Fax (504) 592-7072

Re: Unit Application 8100' RHH SU A Bay Marchand Block 2 Field Lafourche Parish, Louisiana

Dear Commissioner Asprodites:

Application is hereby made on behalf of Chevron U.S.A. Inc. for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 8100' Sand, Reservoir HH, in the Bay Marchand Block 2 Field, Lafourche Parish, Louisiana.

- 1. To dissolve the drilling and production unit that was created for the 8100' Sand, Reservoir HH, by Office of Conservation Order No. 184-BBB, dated effective January 8, 1991, and simultaneously therewith to establish rules and regulations for the exploration for and production of gas and condensate and to create a single revised drilling and production unit for said sand and reservoir.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the revised unit so created, with each tract sharing in unit production on a surface acre basis of participation.
- 3. To designate Chevron U.S.A. Inc. as the operator of the revised unit, and to approve and authorize use of the Chevron U.S.A.Inc. Louisiana State Lease 1365 No. 6 Well as substitute unit well for the revised unit so created at an exceptional location.
- 4. To provide that any future replacement and/or alternate unit wells shall be exempt from the spacing provisions contained in Statewide Order No. 29-E.
- 5. To extend to the proposed revised unit all pertinent provisions of Office of Conservation Order No.184-BBB not in conflict herewith.
- 6. To consider such other matters as may be pertinent.



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The 8100' Sand, Reservoir HH, in the Bay Marchand Block 2 Field, Lafourche Parish, Louisiana, was fully defined in Office of Conservation Order No. 184-BBB, dated effective January 8, 1991.

All pertinent data relating to the subject application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002. Any person wishing to inspect such data should call Mr. Dugue' Daigle at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is not otherwise available from the Office of Conservation can be obtained from Mr. Daigle at the cost of the requesting party.

A pre-application notice letter dated May 1, 2001, was mailed to the Commissioner of Conservation, with copies being sent to the District Manager of the Lafayette District and to each Interested Owner, Represented Party and Interested Party. A conference was not requested and accordingly, none was held.

There are attached hereto and made a part hereof a plat outlining the proposed revised unit and a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom this application is being sent. This list is also being furnished to the Interested Owners, Represented Parties and Interested Parties. A reasonable effort was made to determine the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is a Chevron check in the amount of \$700.00 payable to the State of Louisiana, Office of Conservation, to cover the required hearing application fee.

Kindly set this matter for hearing at the earliest convenient date.

Respectfully submitted,

CHEVRON U.S.A. INC.

cc: Mr. Richard D. Hudson

District Manager Office of Conservation 825 Kaliste Saloom Road Brandywine III, Suite 220 Lafayette, LA 70508-4284

By Arther P Mitchell

Interested Owners, Represented Parties and Interested Parties

